

**COPY**

**COMMONWEALTH OF KENTUCKY  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DEPARTMENT NO. 2004-AH-002**

DEPARTMENT OF FINANCIAL INSTITUTIONS

PETITIONER

vs.

RUSSELL PERRY  
GLOBAL EXPLORATION, LLC  
THE PEN RIESE COMPANY  
THE PEN ROSE COMPANY

RESPONDENTS

**FINAL CEASE AND DESIST ORDER**

\* \* \* \* \*

**Findings of Fact**

1. The Petitioner, the Department of Financial Institutions, filed an initial Cease and Desist Order against the above-named Respondents on January 6, 2004 prohibiting the Respondents from engaging in the business of the sale of interests in oil and gas offerings.
2. The Respondent, Russell Perry, was served with a copy of said Order by certified mail on or about January 31, 2004 and he has failed to file any response thereto.
3. The Pen Riese Company was served with a copy of said Order by certified mail on or about February 2, 2004 and it has failed to file any response thereto.
4. Service of the Order was not successful on The Pen Rose Company.
5. Global Exploration, LLC was served with a copy of said Order and on January 22, 2004 filed its Response thereto claiming that it was not affiliated with Russell Perry, The Pen Riese Company or The Pen Rose Company and that, if Russell Perry was presuming

to act for Global Exploration, LLC, he was doing so without Global's knowledge or consent. Global further is found to be a party in Civil Action No. 02-CI-00147 in Clinton Circuit Court wherein it alleges that it is not affiliated with Russell Perry but has provided funds to Russell Perry to purchase oil and gas leases and/or to develop and operate oil and gas wells.

6. The Respondents, Russell Perry and The Pen Riese Company, should have a Final Order to Cease and Desist entered against them by reason of their failure to respond to the Department's initial Order herein.

7. The Respondent, The Pen Rose Company, should still be considered as bound by the Commissioner's original Cease and Desist Order dated January 6, 2004, since it has not been served with notice thereof.

8. The Respondent, Global Exploration, LLC, is released from the requirements of the original Order pending the outcome of Civil Action No. 02-CI-00147 in Clinton Circuit Court.

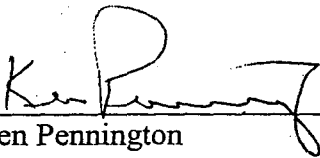
#### **FINAL ORDER TO CEASE AND DESIST**

The Respondents, Russell Perry, individually, and The Pen Riese Company, are henceforth ORDERED to cease and desist from engaging in the sale of securities to or from the Commonwealth of Kentucky. Any notice provided to the Department indicating that either of said Respondents are engaging in the sale of oil and gas interests or other securities to or from this state without proper registration shall subject said Respondents to the contempt power of the Commissioner.

**FINAL ORDER DISMISSING GLOBAL EXPLORATION, LLC WITHOUT  
PREJUDICE**

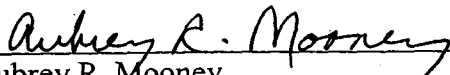
For the reasons cited above there appears to be reasonable issues as to whether or not Global Exploration, LLC is affiliated with Russell Perry and/or that it has engaged in the unlawful sale of oil and gas securities. It is ORDERED that Global Exploration, LLC is dismissed as a party to the Cease and Desist Order issued by the Commissioner on January 6, 2004 without prejudice. Should it appear through proceedings in Civil Action No. 02-CI-00147, Clinton Circuit Court that Global Exploration was actually involved in such unauthorized sales, the Department is granted leave to reinstate its Cease and Desist Order against said entity.

Entered this 23<sup>rd</sup> day of March, 2004.

  
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Ken Pennington  
Deputy Commissioner  
Department of Financial Institutions  
1025 Capital Center Dr., Suite 200  
Frankfort, KY 40601

**CERTIFICATE**

I, Aubrey R. Mooney, Counsel for the Department of Financial Institutions certify that a copy of the foregoing Final Order to Cease and Desist was mailed certified, return receipt requested, to Russell Perry, 12227 Brighton Court, Sarragut, TN 37922; to the Pen Riese Company, A6370 Gunhabing 48, Kitzbuhel, Austria; and, to Global Exploration, LLC, c/o Hunter Durham, Attorney at Law, 130 Public Square, P.O. Box 100, Columbia, KY 42728-0100 this 24 day of March, 2004.

  
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Aubrey R. Mooney  
Counsel  
Department of Financial Institutions